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August 24, 2001

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To: Community Care for the Aged And Disabled (CCAD)
Primary Home Care/Family Care (PHC/FC) Providers

Subject: Long Term Care (LTC)
Information Letter No. 01-10
Increase in Rate of Reimbursement

The Health and Human Services Commission (HHSC) approved rate changes for Primary Home Care/Family Care (PHC/FC) providers effective September 1, 2001. The new rates are included on the attached Reimbursement Rate charts.

All claims for services delivered on or after September 1, 2001 will be processed using the new payment rates. Claims submitted by the provider for any services delivered on or after September 1, 2001 should be prepared using the new rates.

In order to comply with the General Appropriations Act, House Bill 1 of the 76th Legislature, the Texas Department of Human Services (DHS) and the Texas Health and Human Services Commission implemented the Attendant Compensation Rate Enhancement effective September 1, 2001, to incentivize contracted providers to increase wages and benefits for community care attendants. The agency rules for the Attendant Compensation Rate Enhancement can be found at Title 1 of the Texas Administrative Code (TAC) §355.112 and at 40 TAC §20.112. The General Appropriations Act, House Bill 1 of the 76th Legislature increased funding for attendant wages so that additional levels of enhanced rates could be offered to contracted providers who chose to participate in the Attendant Compensation Rate Enhancement. Contracted providers who choose to participate must submit spending reports and must meet the spending requirements for the attendant compensation rate component or unspent revenues below the spending requirement will be recouped by DHS. Contracted providers who choose not to participate in the Attendant Compensation Rate Enhancement will not receive the enhanced attendant rates and the attendant compensation rate component will remain constant over time, except for adjustments necessitated by increases in the federal minimum wage.

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During the open enrollment in July 2001 contracted providers were offered the opportunity to enroll as participants and to select the enhanced rate level at which they desired to participate. Fifteen enhanced rate levels were offered for selection; however, the actual rate level awarded is contingent on available funding. Providers participating in the Attendant Compensation Rate Enhancement may access the Rate Analysis Department website at www.dhs.state.tx.us/programs/rad/index.html to confirm the level of enhancement awarded and to verify their reimbursement rates.

Please contact Alisa Jacquet at (512) 438-4952 if you have any questions regarding the Attendant Compensation Rate Enhancement. Please call your contract manager if you have any other questions.

Sincerely,

signature on file

Becky Beechinor
Assistant Deputy Commissioner
Long Term Care Services

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